

STATE OF INDIANA)
) SS:
COUNTY OF MARION)

BEFORE THE INDIANA
COMMISSIONER OF INSURANCE

CAUSE NUMBER: 9020-AG10-0714-119

IN THE MATTER OF:

American Business Insurance, Inc.
Respondent

320 W. Main St.
Greenwood, IN 46142

Type of Agency Action: Enforcement

FILED

AUG 20 2010

STATE OF INDIANA
DEPT. OF INSURANCE

License Number: 30996

FINAL ORDER AND APPROVAL

The Indiana Department of Insurance ("Department") and American Business Insurance, Inc., ("Respondent"), an Indiana company holding insurance producer's license 30996, signed an Agreed Entry which purports to resolve all issues regarding the above cause number, and which has been submitted to the Commissioner of Insurance (the "Commissioner") for approval.

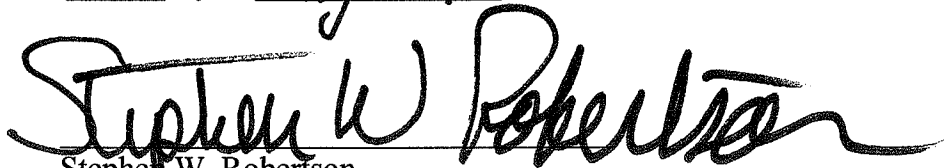
The Commissioner, after reviewing the Agreed Entry, finds it has been entered into fairly and without fraud, duress or undue influence, and is fair and equitable between the parties. The Commissioner hereby incorporates the Agreed Entry as if fully set forth herein, and approves and adopts in full the Agreed Entry as a resolution of this matter.

IT IS THEREFORE ORDERED, by the Commissioner of Insurance:

1. Respondent failed to secure worker's compensation insurance on behalf of Yellow Rose Carriages, Inc. ("Yellow Rose"), then misled Yellow Rose to believe that coverage had been placed and a declarations page would be sent.

2. An employee of Yellow Rose suffered an injury that would have been covered by worker's compensation coverage and due to Respondent's failure to secure a policy, no coverage was provided for the loss.
 3. Respondent continued to mislead Yellow Rose about the existence of a worker's compensation policy even after the loss.
 4. Respondent's errors and omissions coverage has reimbursed Yellow Rose and/or its employees for the loss.
 5. Within thirty (30) days of this Order, Respondent shall pay an administrative fine of \$1,500.00.
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ALL OF WHICH IS ORDERED this 20th day of August, 2010.


Stephen W. Robertson,
Executive Director / Acting Commissioner
Indiana Department of Insurance

Distribution:

American Business Insurance, Inc.
320 W Main St.
Greenwood, IN 46142

Nikolas P. Mann
INDIANA DEPARTMENT OF INSURANCE
311 West Washington Street, Suite 300
Indianapolis, Indiana 46204-2787

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STATE OF INDIANA
DEPT. OF INSURANCE

AGREED ENTRY

This Agreed Entry is executed by Nikolas P. Mann, Attorney for and on behalf of the State of Indiana, Indiana Department of Insurance ("Department"), and American Business Insurance, Inc. ("Respondent"), a licensed insurance producer agency in the State of Indiana, to resolve all issues in the above cause number. This Agreed Entry is subject to the review and approval of Stephen W. Robertson, Executive Director / Acting Commissioner, Indiana Department of Insurance.

WHEREAS, Respondent is a resident licensed insurance producer agency in the State of Indiana, holding license number 30996; and,

WHEREAS, the Department received a complaint on January 4, 2010 from Yellow Rose Carriages, Inc. ("Yellow Rose") who complained that Respondent had failed to provide worker's compensation insurance for their business; and,

WHEREAS, Respondent received an application for worker's compensation coverage from Yellow Rose in July, 2009; and,

WHEREAS, Respondent failed to place coverage with a carrier until December, 2009; and,

WHEREAS, several e-mail exchanges between Respondent and Yellow Rose during the intervening months suggested to Yellow Rose that coverage had been placed and a declarations page was forthcoming, despite knowing that coverage had not been placed with any carrier; and,

WHEREAS, Yellow Rose suffered a loss on October 23, 2009 that was to be covered by worker's compensation insurance; and,

WHEREAS, because of Respondent's failure to place Yellow Rose with a carrier, Yellow Rose had no coverage for the loss; and,

WHEREAS, had Respondent been truthful with Yellow Rose, they would have had the opportunity to seek coverage elsewhere; and,

WHEREAS, Respondent's failure to secure worker's compensation coverage with a carrier and Respondent's efforts to mislead Yellow Rose to believe that coverage did exist exposed Yellow Rose to civil and/or administrative penalties under Indiana Code § 22-3-5-1; and,

WHEREAS, Respondent's actions represent violations of Indiana Code § 27-1-15.6-12 (b) (8); and,


WHEREAS, the Department acknowledges that Respondent has submitted a claim to their Errors and Omissions insurance and that Yellow Rose and/or its employee(s) have been reimbursed for the loss that occurred on October 23, 2009; and,

WHEREAS, the Department and Respondent desire to resolve their differences and settle the issues without the necessity of a hearing;

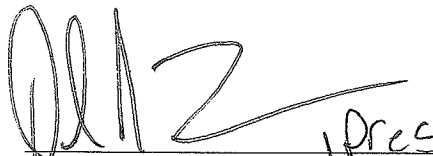
IT IS THEREFORE NOW AGREED by and between the parties as follows:

1. The Commissioner has jurisdiction over the subject matter and Respondent in this administrative action.
2. This Agreed Entry is executed voluntarily by the parties.
3. Respondent voluntarily and freely waives the right to a public hearing.
4. Respondent voluntarily and freely waives the right to judicial review of this matter.
5. Respondent shall pay a fine to the Department in the amount of \$1,500.00 within thirty (30) days of the filing of a Final Order adopting this Agreed Entry.

8/6/10
Date Signed


Nikolas P. Mann, Attorney
Indiana Department of Insurance

8-6-10
Date Signed

 pres
Derek I. Lacy, on behalf of American Business
Insurance, Inc.
Respondent

STATE OF INDIANA)
) SS:
COUNTY OF _____)

Before me a Notary Public for MARION County, State of Indiana,
personally appeared Derek I. Lacy, and being first duly sworn by me upon his oath, says that the
facts alleged in the foregoing instrument are true.

Signed and sealed this 6th day of August, 2010.

Claude Adams
Signature

Claude Adams
Printed

My Commissioner expires: 3-31-2015

County of Residence: MARION